

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2006-173-E - ORDER NO. 2006-412
JULY 17, 2006

IN RE: Contract Between South Carolina Electric &) ORDER
Gas Company and the United States) APPROVING
Department of Energy) CONTRACT
)

This matter comes before the Public Service Commission of South Carolina (the Commission) on the request of South Carolina Electric & Gas Company (SCE&G) for approval of a contract between it and the United States Department of Energy (DOE), as amended on June 29, 2006, setting forth certain electric rates and conditions of service. The rates in the contract have all been previously approved by the Commission, either in tariffs or contracts.

The contract calls for SCE&G to lease and operate the electric transmission system of DOE and to provide electric service to DOE at the Savannah River Site (SRS). The effective date of the contract is June 1, 2006, and the first bill rendered under the terms of the contract is scheduled for issuance in early July of 2006.

The Office of Regulatory Staff (ORS) has reviewed the contract and has no objections to it. ORS notes that the contract is for a term of five (5) years, with extension options, and that it no longer includes provision of steam by SCE&G to SRS, as was once the case.

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We have examined the contract, and find it just and reasonable. Again, we would point out that the rates in the contract have all been previously approved by this Commission in some form. Accordingly, the contract is approved as being in the public interest.

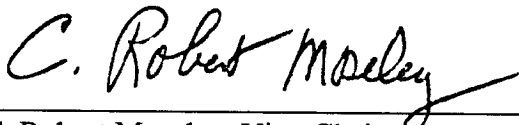
This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



G. O'Neal Hamilton, Chairman

ATTEST:



C. Robert Moseley, Vice-Chairman

(SEAL)